

Monthly Update: Australian Companies Fund

Applying global insights to profit from anomalies in the Australian market

Fund performance* (net of fees)	Inception Date	Exit Price (\$ cum)	1 Month	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	Since Inception pa
Fund performance (net of pro forma fees)¹	01-2000	3.0201	-0.02%	24.7%	21.7%	12.7%	12.3%	14.4%	12.8%
Fund performance (net of actual fees)			-0.02%	24.7%	21.7%	12.3%	11.4%	13.2%	11.0%
S&P/ASX 200 Accumulation Index			-6.35%	9.4%	9.8%	8.5%	7.5%	9.5%	8.1%

1. Fund performance (net of pro forma fees) has been calculated based on the new fee structure (implemented 1 December 2018), assuming it had applied from the Fund's inception. These returns do not represent the actual net Fund performance and are included for illustrative purposes only.

Australian Companies Fund: Growth of AUD \$100,000

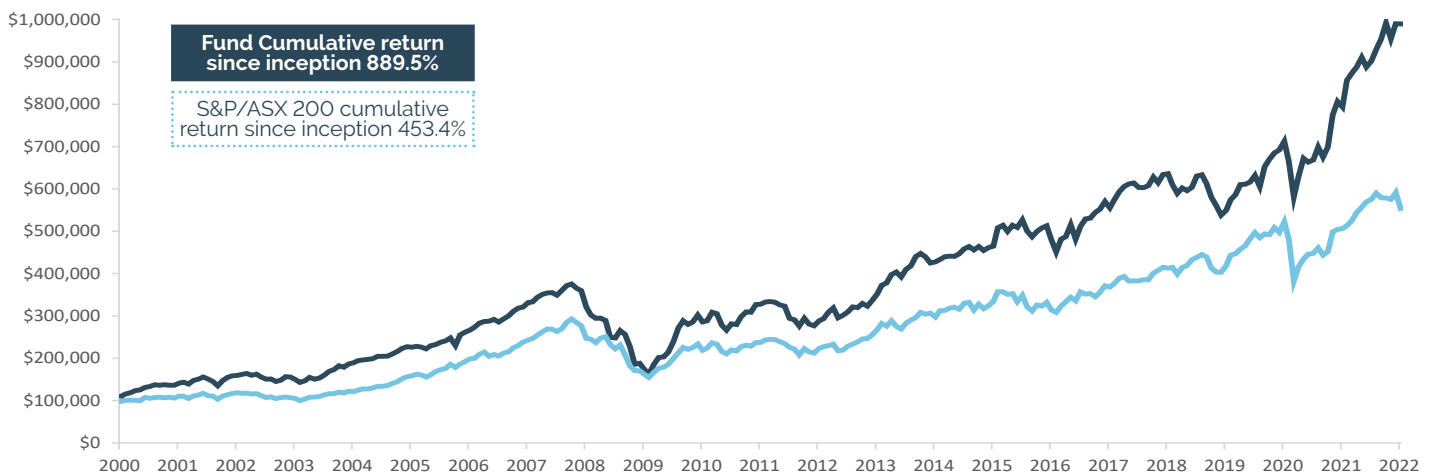
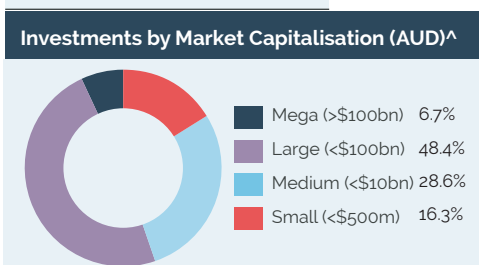


Chart reflects Fund growth net of actual fees. Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund Inception 20 January 2000. These figures represent past performance only. No guarantees exist of future returns above or below these figures. Past performance is no indication of future performance. Neither PM Capital Limited nor any other person makes any representation as to the future performance or success of, the rate of income or capital return from, recovery of money invested in, or income tax or other taxation consequences of, any investment in the Fund

Portfolio investments	Weighting
Resources	30.9%
Domestic Banks	17.0%
International Banks	7.3%
Non Bank Financials	6.0%
Internet	12.6%
Other	11.8%
Long Equities Position	85.6%
Short Equities Position	-1.5%
Net Invested Equities	84.1%
Total holdings	21

Current stock example	Currency exposure*	100%
OZ Minerals	AUD	100.4%
ANZ	CAD	2.5%
ING Groep	EUR	0.1%
Apollo Global Management	USD	-3.0%
iCar		

*Stated at effective value.



[^]Breakdown of portfolio's long equity holdings into market cap. bands.

Fund commentary

- Commodity positions were mixed over the month, with oil holdings outperforming while copper exposure gave back a portion of recent gains.
- An active value bias and conservative invested position assisted relative performance as growth stocks underperformed.

Woodside Petroleum and Beach Energy were key contributors to positive performance with both reacting favourably to a rebound in oil prices post the selloff in the December quarter around Omicron fears. Geopolitical tension between Russia and Ukraine was viewed as potentially another bullish event for oil in what is already a relatively tightly supplied marketplace.

OZ Minerals sold off after a disappointing results announcement in late January. Management's forward-looking guidance, both from production growth and costs perspectives, was weaker than anticipated leading to a downgrade of earnings estimates.

With several capital projects on the horizon, we found comments

around cost inflation the most relevant to our thesis. As referenced in the December quarterly, after a period very strong performance we had reduced our OZ Mineral position sighting reduced catalysts and reasonable valuation.

BHP advanced as index investors position themselves for the unwinding of the company's dual shareholding structure which was voted on by shareholders in January.

Independent shareholders at iCar Asia approved the Carsome Scheme of Arrangements on 31st January. With proceeds to be received in February the portfolio's cash position was effectively 19.6% at month end, adjusting for the iCar Asia position.

Top 10 stocks	
Stock name	Sector
Apollo Global Management	Diversified Financials
ANZ	Banks
Beach Energy Ltd	Energy
BHP	Materials
Crown	Consumer Services
Icar Asia	Media
ING Groep	Banks
NAB	Banks
Westpac	Banks
Woodside Petroleum	Energy

PM Capital Limited, founded in 1998, is a globally-focussed fund manager that invests money on behalf of private clients, the clients of financial advisers and institutions. PM Capital's goal is to build long term wealth by investing in global markets with patience and conviction.

***Note:** Effective 1 December 2018 the payment of a performance fee was changed, becoming subject to the outperformance of both the RBA cash rate and the S&P/ASX 200 Accumulation Index.

Further Information

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Key Fund Details

Fund category

Australian equities

Investment style

Fundamental, bottom-up research intensive approach

Inception date

20 January 2000

Fund size

\$39.8 Million

Strategy size

\$39.8 Million

Number of stocks

As a guide, 15-25 stocks

Minimum direct investment

\$20,000

Recommended investment time

Seven years plus

Fees (pa)

Mgmt fee: 1.09% Perf. fee: 20% (subject to a high water mark) of the excess above the greater of the RBA cash rate and the S&P/ASX 200 Accumulation Index

Buy / sell spread

0.5% (Round trip)

Investor profile

The Fund may be appropriate for investors seeking capital appreciation over a seven plus year investment horizon

Important Notice

This Report is issued by PM Capital Limited ABN 69 083 644 731 AFSL 230222 as responsible entity for the PM Capital Australian Companies Fund (ARSN 092 434 467, the 'Fund'). It contains summary information only to provide an insight into how we make our investment decisions. This information does not constitute advice or recommendations, and is subject to change without notice. It does not take into account the objectives, financial situation or needs of any investor which should be considered before investing. Investors should consider the Target Market Determinations and the current Product Disclosure Statement (which are available from us), and obtain their own financial advice prior to making an investment decision. The PDS explains how the Fund's Net Asset Value is calculated. Past performance is not a reliable guide to future performance and the capital and income of any investment may go down as well as up due to various market forces. The investment objective is not a forecast, and is only an indication of what the investment strategy aims to achieve over the medium to long term.

1. Returns are calculated from exit price to exit price assuming the reinvestment of distributions for the period as stated and represent the combined income and capital return. The Index is the S&P / ASX 200 Accumulation Index. See www.asx.com.au for further information on the Index.

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